103D CONGRESS
2D SESSION

H. R. 4764

To provide for the payment of aid to families with dependent children through the use of debit cards.

IN THE HOUSE OF REPRESENTATIVES

JULY 14, 1994

Mr. FRANKS of Connecticut introduced the following bill; which was referred to the Committee on Ways and Means

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A BILL

To provide for the payment of aid to families with dependent children through the use of debit cards.

1 *Be it enacted by the Senate and House of Representa-*

2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. PAYMENT OF AFDC BENEFITS THROUGH THE**

4 **USE OF DEBIT CARDS.**

5 Section 402(a) of the Social Security Act (42 U.S.C.

6 602(a)) is amended—

7 (1) by striking ''and'' at the end of paragraph

8 (44);

9 (2) by striking the period at the end of para-

10 graph (45) and inserting ''; and''; and

1   (3) by inserting after paragraph (45) the fol-

2 lowing:

3   "(46) provide that—

4   "(A) the State shall—

5   "(i) for each recipient of aid under

6   the State plan, establish an account into

7   which the State will deposit the amounts of

8   aid payable to the recipient under the

9   State plan, and the amounts in which are

10   accessible to the recipient only through the

11   use of a debit card issued pursuant to

12   clause (ii); and

13   "(ii) issue to each recipient of aid

14   under the State plan a debit card that—

15   "(I) contains a unique identifica-

16   tion number, a photograph of the re-

17   cipient, and the signature of the recip-

18   ient;

19   "(II) is indistinguishable from

20   other kinds of debit cards; and

21   "(III) may be used by the recipi-

22   ent only to obligate amounts in the

23   account for the purchase of goods and

24   services, for not more than the price

25   thereof, through an electronic funds

1 transfer network and point-of-sale
2 technology; and
3 ''(B) the State shall comply with subpara-
4 graph (A)—
5 ''(i) not later than January 1, 1996,
6 with respect to each recipient of such aid
7 whose application for such aid is approved
8 on or after such date; and
9 ''(ii) not later than January 1, 1998,
10 with respect to each recipient of such
11 aid.''.

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